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December 23, 1997

**BY FACSIMILE AND HAND DELIVERY**

**RECEIVED**

Ms. Magalie Roman Salas  
Secretary, Federal Communications Commission  
1919 M Street, NW, Room 222  
Washington, D.C. 20554

DEC 23 1997

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

Re: **C Block Restructuring Options**  
**Amendment of Part 1 of the Commission's Rules**  
**WT Docket No. 97-82, DA 97-679, DA 97-1152**

Dear Ms. Salas:

This letter is to inform the Commission that on December 18 and 19, 1997, Jonathan D. Foxman, COO, and Julia F. Kogan, Esq., General Counsel / V.P. of AmeriCall International, LLC ("AmeriCall"), held meetings with Commissioner Furchtgott-Roth, Commissioner Ness and her Legal Advisor David R. Siddall, Esq., Ari Fitzgerald, Esq., Legal Advisor to Chairman Kennard, and Karen Gulick, Esq., Legal Advisor to Commissioner Tristani.

The enclosed handout was distributed. In addition, the issue was raised whether the "election date" for licensees to choose their C block option should be postponed. AmeriCall supports postponement of that date until after adoption of the FCC decision on reconsideration, in order to promote greater certainty among investors and avoid the need to make that decision twice.

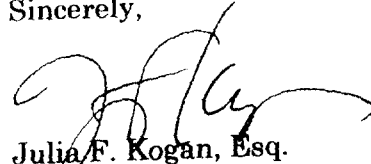
Further, AmeriCall urged the Commissioners and their Advisors to ensure that in the event Department of Justice coordination is retained, the coordination will take place prior to adoption of the order on reconsideration. This "pre-coordination" should secure prior Department consent to debt release or compromise in accordance with the decisions in the Second Report and Order, WT Docket No. 97-82, 62 Fed. Reg. 55,348, 1997 FCC LEXIS 5687 (October 16, 1997), so as to increase certainty, and avoid regulatory delays or impediments to implementation of the Commission's decisions.

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Please direct any questions concerning these matters to undersigned counsel.

Sincerely,



Julia F. Kogan, Esq.  
General Counsel / V.P.

cc: Commissioner Furchtgott-Roth  
Commissioner Ness  
Ari Fitzgerald, Esq.  
Karen Gulick, Esq.  
David R. Siddall, Esq.

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***Presentation to Commissioners and Legal Advisors***

December 19, 1997

## **INTRODUCTION**

- **Who We Are; Where We Are**
- **New deals are becoming available**
  - The Second Report & Order was carefully crafted to balance interests
  - Avoid litigation by keeping the Order substantially intact, with clarifications
- **FCC is fulfilling its statutory mandates to license and provide opportunities for small businesses**
- **When circumstances change, the FCC can act to meet its congressionally-mandated objectives. Unique unforeseeable circumstances pummeled C block:**
  - Months-long delay of auction
  - Rearrangement of security interest priority; announced after auction (unlike F block)
  - Litigation uncertainty due to Adarand and ensuing Omnipoint suit
  - No simultaneous non-entrepreneur auction; high per-pop prices

## **DESIRED FCC ACTIONS**

- **The FCC should clearly list the unique events supporting its decision, to counteract allegations that the Commission did not sufficiently explain itself**
- **Recognize DoJ coordination is unnecessary burden on FCC; see 4 C.F.R. 104.1(b)**
  - FCC debt will have no legal merit once licensees elect amnesty
  - No legal substance to otherwise applicable default penalties – amnesty lifts underlying debt obligation; there remains no obligation on which to default
- **Provide timing goals for installment payment refunds**
- **Down payments should not be 100% forfeited in amnesty**
  - Most licensees are in this situation because bottom fell out of spectrum market, due to events beyond their control. We are not in default. As FCC stated re: prepayment, “forfeiture of up to 100% of a down payment does not appear rationally related to any harm, and would be . . . `too severe a penalty’”
  - Boon to venture capitalists at expense of existing small business investors
  - Fairness and equity. Consistent with prepayment 70%/30% treatment (even though that relates to 3% default penalties and no default exists here)